50

860

5-5

5-5

GENERAL

- 1. Indonesian issue imperils Dutch Cabinet -- US Embassy The Hague expresses serious concern over possible repercussions in the Netherlands caused by US representations to the Dutch Government on the current breakdown of negotiations in Indonesia. The Embassy fears that such repercussions could lead to the fall of the Government and considers that some helpful step is needed to ease the Government's situation.
- 2. Indonesian Republic to appeal for UN action—The US delegation to the UN reports from Paris that representatives of the Indonesian Republic have urged prompt Security Council action on the Dutch—Republican dispute before the Dutch Cabinet has made its "final decision" on Indonesia. The Indonesian Republic reportedly seeks an SC resolution which will call upon both parties to avoid military action and will expand the authority of the present UN Good Offices Committee in dealing with the dispute.
- 3. UN Mediator considers time ripe to force Arab-Jewish agreement-According to US Consul Burdette in Jerusalem, Acting UN Mediator Bunche believes that the psychological moment has arrived to CIA -5 exert strong pressure for an Arab-Jewish agreement. Bunche points out that: (a) Lebanon desires no further involvement in Palestine; (b) Syria is incapable of military action; and (c) King Abdullah of Transjordan has "pleaded" for strong UN directives that an armistice be reached with the Jews. Bunche adds that the main difficulty has come over Jewish-Egyptian negotiations, but that the Egyptians have now agreed to permanent truce lines. According to the US delegation at the UN. Bunche also regards the failure of the US to recognize Transjordan to be a real factor in the problem because non-recognition has made Transfordan more hesitant about taking the initiative in political discussions with the Jews.

